No. 122.

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JAMES H. McKENNEY,
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Supreme Court of the United States.

OCTOBER TERM, 1902.

No. 122.

Filed Nov. 26, 902.

CARY MANUFACTURING COMPANY, PLAINTIFF IN ERROR,

vs.

ACME FLEXIBLE CLASP COMPANY.

BRIEF FOR PLAINTIFF IN ERROR.

A. G. N. VERMILYA,
Counsel for Plaintiff in Error.

APPEAL PRINTING CO., 12-16 Vesey Street, N. Y.

United States Supreme Court.

CARY MANUFACTURING COMPANY,
Plaintiff in Error.

against

ACME FLEXIBLE CLASP COMPANY,
Defendant in Error.

October Term, 1902,
No. 122.

ARGUMENT FOR PLAINTIFF IN ERROR.

Statement of Fact.

This is a writ of error, bringing up for review a judgment of the U. S. Circuit Court of Appeals for the Second Circuit, entered May 28, 1901, and a judgment of the U. S. Circuit for the Southern District of New York, entered November 16, 1900, adjudging the Cary Manufacturing Company guilty of contempt and imposing a fine of $2,000, of which $1000 was to be paid to the Acme Flexible Clasp Company, which was thereby affirmed.

The Acme Flexible Clasp Company brought suit against the Cary Manufacturing Company for alleged infringement of U. S. Letters Patent

No. 314,204, granted to W. O. Swett, on March 17, 1885, for a "Staple Fastener" for wooden vessels.

The article alleged to infringe was a certain "Split Clasp" theretofore made by the Cary Manufacturing Company.

The decree adjudging that patent 314,204 valid and delaring that the said "split clasp" infringed it, was entered December 22nd, 1899, and the opinion (previously handed down) is found in 96 F. R., at page 344.

The injunction was issued December 29th, 1899, but was not served before January 3rd, 1900. In fact it never was legally served.

Defendant appealed from the said decree of December 22nd, 1899, on January 13th, 1900.

The appeal was heard by this Court, February 27th, 1900, the decree was affirmed and the opinion then rendered is reported in 101 F. R., page 269.

In April, 1900, the complainant moved to punish the defendant for contempt but that motion was denied.

The "split clasp" was the only one of defendant's manufacture which was claimed to infringe and the only one before the Court, which was claimed to be an infringement.

Thereafter defendant began to make a "concave clasp" which, as it claims and as it fully believes, is just such a device as is set forth in U. S. Letters Patent 88,501, issued to Purches Miles, March 30, 1869—more than fifteen years before the application for the patent in suit was filed.

This patent 88,501 was not in the record on the final hearing aforesaid and the motion to open the case and permit it to be introduced was denied, otherwise it is fully believed the decree would have been the other way.

Be that as it may, the patent 314,204 was sus-

tained and defendant has absolutely ceased to make, use or sell the "split clasp" declared to infringe.

Defendant's manufacture of "concave clasps" was openly conducted—indeed in April, 1900, (see fol. 49) in its answering affidavit—used on the hearing of the first motion to punish for contempt, it declared its intention to make such clasps and such declaration elicited no condemnation either from the court or the complainant.

It was therefore confirmed in its opinion that such manufacture was entirely legitimate, and warranted for the reason that said "concave clasps" did not infringe patent 314,204 and did not come within the limits of the prohibition contained in the injunction, and it proceeded to make and sell them to a limited extent.

Shortly after defendant began to sell said "concave clasps" complainant moved to punish it for contempt for so doing, but up to that time no decision had ever been rendered declaring that "concave clasps" infringed patent 314,204.

Complainant also alleged in its moving papers that since the issue of the injunction, defendant had published certain advertisements *of the "split clasp"* and had used certain postal cards bearing a cut of said "split clasp" upon them.

The cards have been used by it and, *under contract previously made*, the advertisements have been published. Substantially similar cards and advertisements were before the Court in April when it denied the motion as aforesaid.

But in November, 1900, the Court declared the disobedience clear and its decision is embodied in the decree of November 16th, 1900, adjudging defendant guilty of contempt, in that it made and sold "concave clasps" like Exhibits B, D, D, and E, and advertised and offered for sale clasps like

those before the Court when the injunction was granted "split clasps" and a fine of $2,000 was imposed, one-half to the complainant.

On January 10, 1901, the Cary Manufacturing Company sued out a writ of error to bring up to the U. S. Circuit Court of Appeals in the Second Circuit for review, that judgment of November 16, 1900.

Said writ was duly filed and the cause came on for hearing.

It was duly heard, and on May 24, 1901, it was affirmed, and the order, judgment and decree to that effect was duly filed May 28, 1901.

Thereupon on May 29th, 1901, the plaintiff in error sued out a Writ of Error to bring up the cause for review in this court. A citation was also issued, an assignment of error and a bond duly filed and all duly served on the defendant in error.

The entire record was duly filed in this Court, June 26th, 1901, and the matter now comes before the Court for determination.

Errors.

The errors on which reliance are placed are:

First. That the said judgment awards the property of plaintiff in error to defendant in error without due process of law and therefore contrary to the constitution of the United States of America (p. 30, fol. 49, see also 27, p. 24).

Second. That said judgment directs the plaintiff in error be deprived of its property without due process of law and therefore contrary to the constitution of the United States of America (p. 30, fol. 49, see also 26, p 24).

Third. That the fine is excessive and therefore

contrary to the constitution in that it is a cruel and unusual punishment and therefore an infraction of a constitutional provision (35 on page 25 repeated at page 30, fol. 48).

Fourth. That the alleged violation took place long after the injunction ceased to have force (see 33, p. 25 and p. 30, fol. 48.

Many other errors are assigned and we shall present them, but the main reliance is upon those named, though it is submitted that the error committed in holding plaintiff in error guilty of contempt when its manufacture was strictly in conformity to a long expired patent is particularly harmful, and should induce this Court to be astute in finding sufficient cause to relieve the plaintiff from the burden imposed by said error, especially in view of the fact that in Worden vs. Searls, 121 U. S. 14, it declared:

> "§ 725 does not make the action of the "Circuit Court such a matter of descretion "that the orders imposing the fines are not "reviewable,"

and it then reversed the order declaring the Wordens guilty of contempt and imposing a fine, because *in its opinion* the order ought not to have been made.

Due Process of Law.

That all judgments are void unless founded on due process of law and that the constitution so provides, is so well settled that it will not be discussed here. But our first inquiry may be well directed to a consideration of what is "due process of law."

It has been many times defined and some of the definitions are quoted:

1. "The ordinary mode of judicial proceedings."

A. & E. Ency. of Law, p. 292.

2. "The general law, a law which hears before it condemns; which proceeds upon inquiry and renders judgment only after trial."

Dartmouth College vs. Woodward, 4 Wheat (U. S.), 518.

3. "A course of proceeding according to those rules and principles which have been established in our system of jurisprudence for the protection and enforcement of private rights."

Pennoyer vs. Neff, 95 U. S., 733.

4. Due process of law is such proceeding as secures to everyone the right to have notice of any proceeding by which his rights of life, liberty or property may be affected.

Griswold College vs. Davenport, 65 Iowa, 633.

5. It refers to fundamental rights. If any of these are disregarded in the proceedings by which a person is condemned to the loss of life, liberty or property then the deprivation has not been by due process of law.

Brown vs. Board, 50 Miss., 468

6 "The opportunity to defend must not be merely colorable and illusory."

Happy v. Mosher, 48 N. Y., 313.

7 "His trial must proceed according to estab-

lished procedure consisting of rules of pleading and practice."

State, 28 Bates, 14 *Utah.*, 293.

8 "The definition of the offense and the *authority for every step in the trial* must be found in the law of the land, *idem.*

9 A pre-existing rule of conduct.

Atchinson v. Baty, 6 Neb.,37.

Now turn to the record. Can we find that there was due process of law in the particular under discussion?

The decision (page 29, fol 45) says the power to direct payment to the complaining party has often been recognized and ought to be exercised

> "When the expenses and trouble to which the complainant has been subjected justify its exercise."

Admit that, if you please, where is there a scintilla of proof that the Acme Co. was subjected to expense and trouble in any definite amount. It may have been within the power of the Court to reimburse the injured party, but it can only do so on allegation and proof of loss or expense and of the extent thereof. It has no right to take one person's property and give it to another without any basis for determining the justice of such a transfer.

Such a matter to come within purview of "due process of law" requires proof and that the other party may be prepared to meet such proof, it requires definite allegation, as declared in citations 7 and 8, *supra.* It is a fundamental rule of all legal procedure, that there must be a pleading def-

initely setting forth the claim, and proof substantiating the pleading.

Is there any such allegation? By no means. The sole statement on that point is found at page 9:

> "Affiant states that the benefits which should "come to complainant by the injunction of "this Court are practically nullified by reason "of the manufacture of Exhibit D so nearly "resembling the patented structure as not to "be distinguishable therefrom."

That may be considered the allegation. Is it definite? Does it anywhere state how much it is injured? Does it anywhere set forth a single expense it has been caused? Does it even allege what those benefits are? Not once. If taken as true and if the Court had declared it true. If the Cary M'fg Co. had not even answered it, no Court and no Judge could in that statement find any basis for an award of more than nominal damage or loss of benefit.

There are cases where the selling by one party of the patented goods has caused the other great expense and trouble, a damage of hundreds of thousands of dollars. There are others and their name is multitude, in which the declaration has been made and sustained on appeal that the only damage that could be found was nominal.

Does this allegation furnish any basis for determining to which class it belongs? To say that on such an allegation, even undenied, the Court may of its own volition award to the complaining party a given sum, more than nominal, is to say that if it should *feel* that the expense and trouble amounted to $1 000 00 it could so award and no one

could be heard to the contrary.

Would that be due process of law? Not even the Acme counsel would claim it was. And yet a decision that an award of $1,000, or even $1 on such an allegation is awarded by "due process of law" is just as faulty as though the amount were the $100,000.

But proceed, do the proofs supply the deficiencies of the pleading? No.

The proofs, even accepting the complaining party's statements as conclusively established, are that the Cary Mfg. Co., sold 100 pounds. There is no price given. It could not exceed $10. in gross, and common knowledge would establish that the net result could not be more than $3 or $4 at most. No other sale is named. Manufacture, which is what is alleged at page 9, has been held to only constitute a basis for nominal damage. Whittemore vs. Cutter, 1 Gallison 483; Carter v. Baker, 4 Fisher, 419; so we are left to the sale for proof of loss, but that is equally unsatisfactory as a basis for a definite conclusion.

Passing the fact that the purchase was probably made at the instance of the Acme Co., that it might claim there had been a violation; it proves nothing as to trouble or expense. Mott does not say that he bought a pound less from the Acme, because of the sale. Indeed his statement contradicts its allegation, for instead of not being distinguishable from the Acme make, they differed so much that Mott knew it at once and notified the Acme Co. And this emphasizes the fact that that sale in no sense proves that the Acme Co. was put to trouble or expense thereby. No valid basis for awarding a single dollar to the Acme Co. is furnished and that award is as much without due process of law as though it had been a million. If

it had been a million, everyone would at once admit that it was made without due process of law.

But its size is not the criterion. The question is this, was notice given that a claim for any such amount for trouble and expense would be made? The answer must be—no.

Plaintiff in error was, therefore, not called upon to prepare to meet any such claim, and not being called upon, no unfavorable inference could be drawn if it had failed to meet such a claim, and no judgment against it for any such amount was warranted.

But we go further, was there any proof of trouble and expense to any such or any amount. As already shown there was no proof accepted or offered on the part of the Acme, which by the broadest possible construction could in the slightest degree support such a contention. This is not a case where there are oral pleadings, where it must be concluded that the matter was pleaded and proven. The entire record of what was alleged, what proofs were offered to support the allegations and what was shown in defense is here. If the required allegations are not found in the record or the proof is wanting therefrom, it is because there was no such allegation and no such proof. (Be recited p 21 lines 22-27)

Many cases have been reversed on that very ground, that the case presents no proof to sustain the judgment and that must be the conclusion here. The case is absolutely bare of anything that can be so considered, and we must conclude that the award of $1,000 to the Acme Co. was a bald gift (unwarrantable in itself) and made without due process of law, both in that there was failure of pleading and failure of proof to sustain it, and it was therefore *wholly* unwarranted.

It must be remembered that while called a criminal matter, this cause partakes much of a civil character.

> "When a person fails or refuses to do some-
> "thing which he has been ordered to do
> "for the benefit of the opposing party to the
> "cause, the punishment * * * when by
> "fine is usually for the purpose of having it
> "go to the opposite party as an indemnity."

> "In one class are grouped cases whose occas-
> "sion is an injury or wrong done to a party.
> " * * * In these cases the authority is
> "exerted in his behalf and the fine imposed is
> "measured by his loss."

People vs. Oyer & T. Ct., 107, N.Y., 245.

We find therefore that the loss of the complaining party is indissolubly connected with the amount of fine imposed It is with the trouble and expense to said party in mind, that the Court determines what the fine shall be, and that undeniable and inevitable connection, results in this, that the conclusion of the Court on that point pervades and permeates the entire judgment If that conclusion be reached "without due process of law" the error vitiates the entire conclusion and the judgment as a whole is tainted with the error.

When the Court, without due process of law decided to award $1000 to the Acme Co., solely on the basis of the allegation that the benefits of the injunction are nullified by the Cary Co's manufacture, and without any proof of the value of that benefit and without either allegation or proof of trouble or expense, it introduced a false factor into the

decision which as truly rendered it wholly erroneous as would a mathematician who multiplied by, 10 when 1 was the proper factor.

We repeat, therefore, that not only was the award to the Acme Co. without due process of law, but that the entire judgment is likewise faulty because based upon this unwarrantable conclusion, reached "*without due process of law*" and it must all fall together.

Excessive Amount.

This point has been to some extent investigated in the discussion already had, but to present it more clearly, attention is called to the opinion of Mr. Justice H. B. Brown, rendered in the Searls vs. Worden contempt case and now a part of the record in Worden vs. Searls 121 U. S., 14.

There, there had been a reference and the master, on proof taken, reported a definite amount as defendant's profit arising from the violation and a definite amount as his expenses and his counsel fees. The Justice declared the punishment should bear some just proportion to the magnitude of the offense and added,

> "If, for instance, the master had reported "defendant's profits at only five dollars, the "imposition of a fine of $1,500 for expenses "and counsel fees would seem not only an un- "warrantable encouragement of proceeding of "this nature, but a possible *infraction* of the "constitutional provision against cruel and "unusual punishments."

Apply that to the present case. If a fine of $1,500 imposed in a case of clear violation for selling the

identical thing enjoined, would be unconstitutional, how much more so is a fine of $2,000, when, there is neither allegation nor proof of profit to the Cary Co. and no proof whatever, and hardly an allegation of loss to the Acme Co., certainly neither allegation nor proof of trouble or expense.

If cruel and unusual could be applied by Mr Justice Brown to such a conclusion as he mentioned, its application to the conclusion of the Court in the present case is more than pertinent and the judgment is open to that objection also.

Erroneous Procedure.

As already stated each step must be in exact accordance with prescribed rules.

What took place? Notice was served that a motion would be made to commit and punish, and affidavits were annexed. The Cary Co. replied to those affidavits.

What are the rules prescribed in such cases? These:

The Court shall first in a proper manner determine whether the accused is guilty of the contempt charged and then, have the delinquent brought before it. Then comes the question of penalty and **with him present** it must impose the penalty.

Jackson vs. Smith, 5 Johns., 115.
Moller vs. Smithhurst, 2 Sanford, 724.

In People vs. Nevins, 1 Hill, 154, it is held that the *presence in Court* of the person charged is essential to the jurisdiction of the Court to punish for contempt.

This is called a criminal matter and it is well settled that in such matters

the accused must be present when sentence is pronounced.

That course was not followed here. If it had been, this grievous error would not have been committed. The culprit would have had an opportunity to show the Court how little injury had been done and any extenuating circumstances.

The hearing had, was on the question of whether there was a violation. There was none on the question of the extent of the Acme injury or its trouble or expense, and the accused was not present when the sentence was announced.

The motion was noticed for Nov. 2, 1900, (see notice folio 5). It was argued (folio 21)

. . . . . The decision was made and sentence pronounced—in writing—filed November 12, 1900, (p. 21 top) with neither party present.

Thereupon that sentence was embodied in the judgment of November 16, 1900, (p. 21), and again the accused was absent, and error 26 (p. 24) repeated p. 30 with additions, is directed to this fault.

Tinker vs. Crooke, 22 Han. 579, is a case where the Court ordered the payment of money before a certain time, and in default thereof that the party should pay a fine and stand committed, &c., but the Appellate Court held that the imposing of the fine was error, because the Court below *had not proceeded regularly* by attachment' and it was set aside.

These cases show some of the steps required by "due process of law," and the record fails to show that such steps were taken, and for this error as well the judgment should be set aside.

It is true that Courts must possess the power to punish an infraction of their orders, but it is also true that in doing so they should be

more than usually careful to safeguard, even against themselves, the rights of the party alleged to offend.

They are both judge and jury, they are necessarily influenced by the declaration that their authority has been contemned. They should therefore leave no possible ground even for a feeling on the part of the party charged with fault, that in the effort to sustain its dignity and authority, the Court has overridden his rights even in the smallest particular.

Not only must full opportunity to be heard be given, but, as heretofore noted, each step must be fully authorized and each step must be taken in accord with the greatest particularity. The pleading to be answered must conform to the nicest and strictest practice, the proof must support that pleading in all its particularity, the decision must be founded on that proof and in no jot or tittle should it extend over the foundation. In short the judgment must be a complete structure founded on a substantial basis with not a post or girder missing. So strongly is this insisted on that our best text writers assert that even when the contempt is in the actual presence of the Court, the proceeding to punish ought to be founded on a verified and detailed information duly filed.

Here we have no pleading, giving in detail the matters mentioned, and more fatal yet, we have no proof and the sentence was pronounced in the absence of the accused.

The dignity of a Court is not to be sustained on such a judgment, rendered on such proceedings.

The Case.

It may be well to inquire somewhat as to the merits of the case itself, independent of the errors already pointed out, since they inevitably have some bearing on the Court's attitude toward those errors; and here it may be noted that the Cary Co. certainly believed it was making a device fully described in the Miles patent which *expired* barely a year after the Swett patent was granted, and more than 14 years before the date of the alleged violation.

Consider the situation a case heard, a patent sustained, a *split* clasp declared to infringe, and the judgment sustained on appeal. The party ceases to make that absolutely. He makes another, a Chinese copy of a device patented 31 years before and yet on affidavits merely that device is swept within the purview of the injunction and it is declared that the party has no redress and cannot even go beyond that determination. Thus a question of infringement is really determined without due process of law, for if they be right no way of testing it is available. This cannot be true. But let us see.

What does Patent 314,204 cover?

This patent is an exceedingly narrow one, as is shown in the opinion rendered (101 F. R., p. 269).

The claim speaks of a fastener formed of a single piece of metal with shanks and a thin metal plate, and the article shown (of record in the original cause) is a staple fastener made of round wire having two sharpened prongs at substantially right angles to the connecting strip, which connecting strip has been flattened out thin.

But we cannot therefore assume that every

staple fastener with sharpened prongs and a thin connecting plate is within the terms of said patent.

Cary's so called "skeleton clasp" shown in patent 546,840 already of record, has all those features, but even the Acme expert declared said "skeleton clasp" was not within the patent 314,204 because it was weakened along its middle portion *by cutting out a portion of the stock* (Former record, p. 52, fol. 156).

A mere reduction in the resistance against flexure of the metal at the middle portion would therefore appear to be insufficient to bring a fastener within the Acme lines. If one whittles down a plain clasp (such for instance as figure 3 of Cary's patent 180,198) he does not make the Swett clasp even though he reduces the metal and the spring of the middle portion.

Moore's clasp, pleaded as an anticipation, was of metal (tin) so thin as to be without the objectionable elasticity, but it was held not to anticipate, so that mere lack of elasticity is not the determining feature.

In one of the prior patents, applied for in 1883, in evidence on the final hearing and of record in this Court, it is recited that:

> "In fasteners made of one piece of wire "having its ends sharpened * * * **the "wire must necessarily be soft** *for "the purpose of bending it over the edges of "the parts to be connected.*"

So that fasteners of wire in one piece with the connecting strip so soft as to present no objectionable spring, were old in 1883.

We must look further to discover Swett's invention.

His patent (lines 77 80) says:

> "I claim that a staple fastener with any form of *reduced metal at the middle* portion of the bar A would be my invention *providing the spring* of the metal *was reduced* so as not to draw, &c."

Here then are two features the device must possess to be his.

The *metal* must be reduced. The *spring* must be reduced.

If one start with a metal having spring and reduce the metal *without reducing the spring*, that article does not come within the terms of the Swett patent.

If one start with a metal having no spring and merely reduce the metal, he has not trespassed on Swett's ground.

If one leave the metal in its original form and *merely reduce the spring* he is equally guiltless.

Unless the reduction of metal and reduction of spring are coincident and dependent, the especial thing Swett claims to have devised is not done, and the patent he secured is not infringed.

The reason for such limitations to the boundaries of Swett's invention are manifest.

If 314,204 be held to include all clasps in which the metal has no objectionable spring, it would be anticipated by those cited as old in 1883.

If Swett claimed all clasps having the *metal reduced*, he would be at once met by Miles patent 88501 of March 30, 1869, and McGill's patent 249858 of November 22, 1881, as complete anticipations.

Indeed the flattened portion of McGill's staple fastener, as shown in Figs. 11 and 12 of his patent, presents so little resistance to flexure that he encloses it in a tube to give it the stiffness he de-

sires at such part. See McGill patent lines 59 to 65.

If he claimed *any* clasped that was *thinned*, on the ground that the change in elasticity to which he refers when he says, *providing the spring was reduced*, is but the natural and obvious result of thinning, he would be met by the same conclusion for Miles distinctly says of the middle portion of his clasp. "This bar *b* is flattened" and his drawing shows that said bar *b* is much thinner than the shank which is not flattened (on which point Mr. McMurray's affidavit varies from the truth). Thus something more than flattening is a *sine qua non* for a Swett clasp.

In the opinion on appeal, his Honor, Judge Lacombe, in speaking of the devices shown in certain prior patents, says:

> "They were not so thinned as to reduce the spring of the metal."

but of the "split clasp" he says:

> "The thinning and splitting make it possible "to bend * * * without leaving * * * "elasticity."

and he held the first did not anticipate (though they were in fact without spring as shown above) because they did not show Swett's invention: which we may call "reduced spring by thinning" and also held the latter infringed because it did present that characteristic. It was the *reduction of spring by thinning* that determined the question.

In lines 66–7 of his patent Swett says that his invention is a fastener of metal *made so thin* that when bent it has practically no spring.

This clearly indicates, as have the previous quotations, that the lessening or *reduction of spring* to which he refers is a lessening or reduction *to be*

produced by the thinning, which must itself be carried to a degree that shall reduce the spring to substantially zero.

"D. Second."

Now let us turn to the sample D, attached to the Cary affidavit, which sample, the decree (fol. 32, p. 21) specifies as one the making of which is declared to be a violation of the injunction, thereby declaring such sample to be an infringement of patent 314,204.

That clasp is identically such a clasp as is set forth in the Miles Patent 88,501. It has two penetrating points standing at right angles or nearly so to the bar that connects them (page 17, lines 3 and 4 from bottom, Miles patent). This bar is flattened and made slightly concave, and is *thereby stiffened*, as experiment proves, as Miles (lines 1 and 2) declares in his patent and as Cary testifies (paragraph 5, p. 14).

This sample, as testified by Mr. Cary, (paragraph 6, p. 16), is made from stock like Exhibit C, by merely flattening and concaving that stock.

Examination proves this very sample to possess more spring than the original stock, as the Court may readily see, and as Mr. Cary testifies (paragraph 3, p. 15). There is no word of testimony or other proof offered to contradict his statement. Indeed it would be idle to offer such for the things themselves conclusively establish that Cary's testimony is true. Contradiction of it is impossible.

This sample is *not* so thin as to have practically no spring. *It has spring.*

The *spring* of the metal is *not reduced*. Whatever thinning has been done has accomplished a result opposite to that accomplished by Swett's thinning. Instead of reducing, it has increased the

spring. To say that this product is within the claim of the Swett patent is to say that a clasp made of the original stock would be within it since if this is "*so thin that it has practically no spring*" the original round stock would come equally within that description for it has less yet of spring. I merely instance this to show what absurdities any construction of the Swett patent which would include this Exhibit D, would carry us, being well satisfied this Court will adopt no such construction but hold as I contend that reduced spring is one of the salient and not to be omitted features of the Swett device, and necessarily an element of his claim.

One of the essential features of the Swett clasp is thus absent from sample D, and when the Court declared the plaintiff in error violated the injunction by making and selling that sample D, it was in error.

An injunction cannot be extended beyond the rights of the complainant.

Byam vs. Eddy, 2 Blatch., 524.

Neither Swett nor the Acme Co., had or has any right to exclude the public from making the Miles clasp or any other of the early ones. This judgment would permit that to be done.

It cannot stand.

The Court imposed a fine of $2,000. A very severe punishment. How much of that fine it apportioned to the various acts of disobedience it specified, is not declared, but since it particularly declared the making and selling of "D second" was an act of disobedience, it must certainly have had that act in mind in fixing the penalty and as it was in error regarding that act, such error vitiates the whole judgment.

"McMurray's D."

The error is not confined to "D second" however.

The other D (which is identical with B and also with E) is also lacking in features essential to the Swett clasp, to any that can be held to come within his claim.

First. Its *thinness* is identical with that of "D second." "D second 'was not *made so thin* as to be without spring, neither was D.' "

Whatever its elasticity or lack of it, it is not so *thin* as to be without it for it is as thick as "D Second."

It is made just as Purches Miles made his clasp "flattened and concaved." This was done with the wire cold.

> "They are formed cold and so are all the "concave clasps; the wire is not heated when "presented to the dies" (folio 25, p. 16).

If then Swett's patent is valid, it must be construed to cover something other than Miles showed or described. This D (B & E) is nothing more than Miles showed and consequently cannot be Swett's clasp.

It would undoubtedly be possible to *so thin* metal that it would prevent little or no resistance to flexure. Thinning it while the wire is hot, as Swett says he does, might accomplish it, or *extreme* thinning might. This very clasp D, if reduced to the thinness of this paper, might come within the class, but that has not been done.

It has only been thinned to exactly the same degree as "D second," and by the same dies (p. 15). Comparison of "D second" with the stock from

which it was made shows its thinning *increased* its elasticity. The laws of nature do not change—the same result must have followed the same thinning in the case of D (B & E), and it did.

Ordinary knowledge of the working of metals (here declared and corroborated by the testimony of Mr. Cary) establishes the fact that thinning by pressure of metal between dies (unless continued until extreme tenuity is reached, which was not done with either D, D, B or E) does not remove spring but increases it. That is, it hardens and stiffens the metal, especially when as in the case of D, D, B & E, such metal is concaved as well as thinned.

Miles himself declared this in his patent and no one has denied the accuracy of his statement, nor has there been any denial of Cary's statement that the flattening and concaving which defendant has done, increased the stiffness and spring of the material it operated upon.

McMurray does say that any increase of rigidity produced by the concave convexity of defendant's clasps is nullified, but he does not say the thinning and convexing did not *produce* stiffness and even he is not sufficiently audacious to assert the nullification is by thinning. If it is not done by thinning it is not within Swett's claim and that it is not so done is plainly shown, but defendant asserts that examination shows *the alleged nullification does not exist* and Mr. McMurray's statement in this particular is untrue as it is in several others.

The evidence does not disclose the condition of the stock for this D, when presented to the dies, except that it was cold, but it does disclose the stock for "D second" and its condition:

> "Exactly such stock (part of the same lot) without the slightest change in it, was fed di-

rectly into the machine to produce the concave clasps hereto attached, marked "D" (Cary Afft).

and said "D second" is produced and comparison of the stock and "D second" shows the latter to be the stiffer.

We must therefore conclude the same stiffening occurred with the other D (and B and E.) and that as it fell from the dies, it was more rigid than when introduced between them. It was not *so thinned* by the dies, as to have practically no spring. It has never been thinned since, consequently it is not now *so thin* as to have practically no spring.

Such reduction of spring by thinning is an essential feature of the Swett clasp and D, B & E, as well as "D second" are therefore excluded from the class of Swett clasps.

No matter in what way the Cary Company manufacturers its concave clasps. No matter how it treats the stock, so long as it does not reduce the spring *by* a coincident reduction of thickness it does not infringe the Swett patent.

Mr. Vogel testifies, without contradiction or the assertion of a doubt of his correctness, that he was called upon by the Cary Company to design machinery to produce the Miles clasp, that he did so, that the concave clasp is manufactured by that machinery and is just such a clasp as would be turned out by machinery designed to produce the Miles clasp, not only so but actual experiment made in Court and which may be readily repeated here, shows that D, D, B, & E, are each stiffer than the stock, the round wire, from which they are made. The spring has not been reduced by thinning for it has not been reduced at all. It is increased.

What then is the situation, the Cary Company, with the Miles patent in hand, a patent 15 years old when Swett filed his application, employs a machinist to make machinery to produce that old clasp (which must differ from the Swett, otherwise his patent could not be valid), the machinery is made; the clasps are produced after the Cary Company, with no adverse comment thereon, has declared to the Court and the opposing party its intention so to do; the clasps are just such as machinery made to produce the Miles, would produce; but nevertheless the Acme Company, finding, perhaps, that the Miles is as good as its clasp, at once asks that the Cary Company be punished for what? For making a kind of clasp at least 15 years old when the Acme clasp was conceived; and the lower Court by some misapprehension of fact, or law or both, finds with the Acme Company and declares defendant guilty of disobedience of an injunction against making the Swett clasp.

How can it be guilty of making a Swett clasp when what it made was old years before the Swett was invented?

Mr. McMurray says the Miles is stiff, but Mr. Miles does not say how stiff except that it shall clamp or bind the material into which the tacks are driven. Ocular demonstration in the case of Exhibit E, shows that said exhibit (and it is exactly like McMurray's D and also B) does clamp or bind the material—the shade—to the roller. It holds it all along both edges, a thing the Swett clasp will not do.

E, is therefore exactly like the Miles clasp. It has its other peculiarities—the concavity, which adds some stiffness, the flattening which increases the holding surface and the biting edges along the whole of both sides of the plate, all of which are absent from the Swett, and at the same time it

lacks features of the Swett. Because it is concave it does not project *only about the thickness of tin*, but much more than that, the thickness of the metal and of the depth of the concavity also; and because of its concavity, it is the middle portion and not the ends that are highest. When turned over the Swett rests on its heads. The concave does not, but on the convex portion of the bar. It has no heads as distinct features and these differences emphasize the claim that the concave is not so thin as to be without elasticity, but is the Miles and not the Swett clasp.

To say that the concave is the Swett is to say that the Swett is the Miles; which demonstrates at once the absurdity of the Acme Company's position.

So clear is this that counsel is well satisfied that if the Court had closely examined or actually tested the exhibits before it, it could not have arrived at the conclusion announced, but must perforce have determined and declared as this Court is asked to do, that the concave clasp is not the Swett but the Miles' and the Cary Company in common with the rest of the world was and is at liberty to make it because Miles patent expired more than fourteen years ago.

The lower Court therefore erred not only in declaring "D second" to be within the terms of the Swett patent but likewise erred in the case of "D" and consequently of "B" and "E" and the Cary Company is shown not to have made or sold anything that the injunction prohibited.

Advertising.

The most careful reading possible of the injunction, fails to disclose any inhibition against *advertising*.

It enjoins defendant from *making, constructing,*

using or vending to others to be used, but nowhere mentions advertising.

Defendant insists that the advertisement is nowhere enjoined, and if it had in fact actively caused the advertisement to be published, after the issue of the injunction, that would not have been a violation thereof since that is not prohibited.

It might perhaps have been strongly corroborative of slight proof of making or selling the split clasp, if there were any claim that had been done, but there is no such claim advanced. Nothing but the bald statement of advertising, which certainly presents no ground for the severe punishment the Court below has meted out.

There is no doubt as to the Court's decision on this point. It states clearly that defendant has been guilty of disobedience in that it has advertised.

Only a clear violation of the plain terms of the order should be punished.

Weeks vs. Smith, 3 Abb. Pr., 24.

The facts on this point are indisputable, the terms of the injunction may be read by anyone.

Advertising is nowhere mentioned, nor is anything mentioned that can by any possibility be tortured into a reference, however occult, to anything in the nature of advertising. There is no issue of fact. It is purely one of law.

This is a criminal matter and the indictment is for *violating the injunction*.

Had this issue been tried as indictments are ordinarily tried, all evidence of advertising must have been excluded as being outside the charge; and the Court, even if the evidence had been admitted without objection, would have been obliged

to direct a verdict of not guilty, because, it would have been bound to declare that proof of advertising was no proof of the commission of the crime of violating the injunction.

Since the lower Court refused to do this, it committed an error of law for which this Court must reverse its judgment.

But the facts as detailed fail to even establish that the Cary Company did actually advertise.

It appears from Mr. Cary's sworn statement, which is not denied, that when the injunction issued the company had already made contracts for a year's advertising with several periodicals. These years extended beyond the date of issue of the injunction, but the company gave no further order for advertisement. The further publishing of the matter to which objection is made was *not the act of the Company*. It was the act of the respective publishers performing contracts made before the injunction issued. The Cary Company took no part in it. It thereafter made no such contract and gave out no such matter.

It was no more guilty of advertising, after the issue of the injunction, than though it had previously had the advertisement painted on the roof of some barn, and such advertisement had merely remained thereon. Indeed the advertisement named was after its contract expired and purely a voluntary act on the part of the publisher.

Would the Court have punished such an act in the absence of any further act on defendant's part and in the absence too of any direction in the order regarding advertising? Of course not. Neither should it have punished the Cary Company. The respective papers were not under its control. Having made its contracts it had nothing further to do with the advertising. The papers, in order to earn the price paid them, continued of their own motion

to print and publish, and continued it in hope of a further contract which it did not get. The Cary Company did not do it and should not be punished for it.

I would add here, though not specifically in proof, that some and it was believed that all of these advertisements had also the words "Manufacturers of all kinds of Box Straps, Box Corners, etc.," appended to the specific advertising of the "split clasps," as is well known to the Acme Company, and it is to these words Cary refers in his affidavit, in justice to whom it should be said that no copy of the specific advertisement in proof was served with the moving papers.

Postal Cards.

The only other act which can in any way come under the head of advertising was the use of cards bearing a cut of the "Split Clasp" but it will be noticed that those cards (addressed to the Cary Manufacturing Company), bore cuts of other things as well. Mr. Cary states the cards were some of a lot on hand when the injunction issued, and the man who used them—Mr. Battell—distinctly says that he specifically told Mr. Mott, with whom he left such card, that the Cary Manufacturing Company was not selling the "Split Clasp." In view of which, said use of such cards was certainly not an advertisement that the Cary Manufacturing Company longer sold those clasps.

To hold that such use of those cards was a contempt of the order not *to make, use or sell those clasps* is certainly not merely an undue extension of the actual inhibition, but a plain disregard of all law applicable to the subject.

Offering for Sale.

Here again we call attention to the fact that the only acts enjoined were, making, using, selling, and therefore what the defendant (below) did in this regard, comes not within the prohibited acts.

But except the newspaper publishing, which it did not do, be so called, there was not even the act of offering.

Mr. McMurray declared that *customers* informed him that the Cary Manufacturing Company continued to offer said clasps for sale.

His statements must be utterly disregarded. Probably those customers had in mind the advertisements which the newspapers contained. Be that as it may, he does not give the names of his informants; which, under the well-known rule, conclusively demands the statement be disregarded; and furthermore, in opposition, we have the sworn statement of the salesman—Batteil—that he was not provided with the data which he would have needed to offer "Split Clasps" for sale; that he had never been given the sale of those goods and never had offered them for sale and this is supplemented by Mr. Cary's statement that the company in good faith abandoned the sale immediately upon the issue of the injunction and had not sold any since and moreover that he gave strict orders that no more should be made or sold or used.

The burden of proof was on the moving party, but it has presented none and with so full a contradiction, the verdict is so contrary to the proven facts that it must be set aside as contrary to the evidence.

If the Court meant that the advertising is the "offering" to which it refers then we re-assert that

such offering was not done *by the defendant* after the injunction issued and furthermore that it was not enjoined and therefore there could be no contempt in what was done.

The Cary Manufacturing Company has intended to and has obeyed the injunction strictly. It has honestly endeavored to pay the utmost regard to the order. It has even abandoned the use of much costly machinery, which still lies idle and useless on its hands. It has paid the strictest heed to the determination that the Swett patent was valid and that the "split clasp" infringed it and all the incidents attendant thereupon, and the decision that it has been guilty of contempt of court seems almost incredible, opposed as it is both to law and fact. The judgment is clearly error in all its phases, and for such error the judgment must be reversed.

Discretion.

Opposing counsel will undoubtedly assert that decisions in matters of alleged contempts are discretionary, and therefore not to be disturbed on review; but the United States Supreme Court in Worden vs. Searls, 121 U. S., 14, declares the contrary and says:

> "Section 725 does not make the action of the Circuit Court such a matter of discretion that the orders imposing the fines are not reviewable.

Other decisions might be quoted, such as *In re* Butler, 63 U. S. App., 120, and cases there cited, but it is not thought necessary to more than call the attention of the Court to the

fact that it is not now the law that alleged contempts are not reviewable by a higher Court.

People v. Munsell, 101 N. Y., 245.

Injunction not in Force.

The statute provides that if an injunction in the Circuit Court be granted by a District Judge, it shall only remain in force till the next term (R. S. section).

As appears from the record on final hearing the injunction was granted by his Honor Judge Townsend, a District Judge, on December 22, 1899. The next term began long before the alleged disobedience took place. The order does not appear to have ever been continued. The imposition of the fine was therefore unwarranted.

This point is named as a duty of counsel, but will not be elaborated for the reason that it is on the merits that the Cary Manufacturing Company claims to justify its acts. On the well supported contention that though it was not even legally served and though it lapsed, nevertheless the company faithfully observed the injunction of the Court as though properly served and continued in full force to this day.

Writ of Error.

The judgment imposes a penalty, a fine of $2,000, to be paid to the Clerk of the Court, part of it at least to be paid to the United States.

> "When a fine is imposed to be paid to the government it is a criminal judgment."
>
> "Contempt of Court is a specific criminal offense."
>
> "The imposition of the fine was a judgment in a criminal case."
>
> "Error will lie."

Such were the announcements in the Trunk Catch Case, and the Court not only sustained its jurisdiction to review on writ of error but also reversed the order of the lower Court and held there was no contempt."

"If he wilfully disobeyed the order it was a criminal contempt.

People *ex rel* Munsell, 101 N. Y., 245.

Section 6, Federal Appellate Courts Act, reads:

> "That the Circuit Court of Appeals hereby established by this act shall exercise appellate jurisdiction * * * also in all cases arising * * * under the criminal laws."

The conclusion to which the law and the authorities above cited necessarily brings us is plain and not to be mistaken. The judgment of Nov. 16, 1900, imposing a fine to be paid to the government was to that extent a final judgment in a criminal matter, but that judgment involved a denial of constitutional rights; and its consideration involves the construction or application of that constitution and the right to its review as such in this Court by Writ of error is distinctly and clearly provided.

The presence here of the plaintiff in error is fully warranted. It has an inalienable right to the relief it asks, that this Court review the action of the one below.

The errors named are manifest.

The defendant committed no act of contempt. Some of the acts of which it was found guilty it did not commit; some were not prohibited and none that were done were in any sense a disobedience of the Court's orders or a contempt of its authority.

Moreover, and this is the main contention, in

rendering the judgment it did, the Circuit Court, and the Court of Appeals as well, transgressed the plain provisions of the constitution in the particulars named, and the judgments should therefore be reversed.

Respectfully submitted,

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